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Notes on the Stout Committee Report

HRP 89-2

The Report as a whole reflects the babel of tongues, confusion of purposes, and default of doctrine which are unfortunately characteristic of ORE.

From the welter of words it does emerge, however, that two parties exist: (1) those who would do something to remedy the existing situation; (2) those who are opposed to any remedial action.

The dissent in Tab B speaks for the latter party. It calls for perpetuation of the status quo.

If the status quo were satisfactory there would be no problem.

The existence of a problem has been recognized by the appointment of the Reitzel Committee, by its report, by the appointment of the Stout Committee, and by its report--not to mention the Dulles Report and NSC 50.

One wonders how long gentlemen suppose that all this handwriting on the wall can be ignored with impunity.

Whatever the proper solution of the problem may be, perpetuation of the status quo is patently not it.

The dissent in Tab B makes three points. Two appear to be based on misapprehension. Only one constitutes a real issue. They are:

(1) Initial responsibility for planning must rest with the Divisions. This is contemplated in the majority report. Hence the point is not actually at issue. But at the end of this phase of the planning process you still have ten disparate Divisional plans. To suppose that the sum of them would constitute a respectable ORE plan is to ignore both the actual experience of ORE as analyzed in the Reitzel Report and the valid argument presented in paragraph C of Section IV. The crux of the matter, then, is the integration of these Divisional plans.

(2) The minority asserts that S/PP is the proper body to accomplish the required integration. If that assertion were true, we would not be here today. It is astonishing that this argument could be seriously advanced at this late date. The incompetence of S/PP to accomplish this task has been so thoroughly proved as to require no arguments. The majority rightly holds that ORE production planning requires substantive judgment of a high order, however much preliminary Divisional planning there may have been, and that S/PP is not competent to do it.

(3) The integrated plan should be reviewed by EPB. The majority report contemplates as much. Hence there is no issue.

On analysis, then, it appears that there is only one issue between the majority and the minority. The majority does not propose to deny proper regard for either the Divisions or the EPB in production planning. The only real issue here is whether S/PP is a body competent to exercise the substantive judgment required for that purpose. It is astonishing that there could be any argument on that point. "By their fruits shall ye know them".